STAT DIAL

Sanitized Copy Approved for Release 2010/07/14: CIA-RDP91-00587R000200880039-4

ASSOCIATED PRESS 8 August 1986

LEAHY: U.S. INTELLIGENCE SHOULD STEP UP RECHLERS OF SECURITY CLEARANCES

BY MICHAEL J. SNIFFEN

WASHINGTON

The first defection to Moscow by a former CIA officer shows that U.S. spy agencies should step up reinvestigations of employees' security clearances, senate Intelligence Committee vice chairman Patrick Leany says.

The Vermont Democrat said ex- CIA agent Edward Howard, 34, had done "serious damage" to U.S. spying in the Soviet Union, but he and other U.S. officials refused to spell out the harm for fear of telling the Soviets even more.

Asked about a published report that Howard "wiped out (the CIA's) Moscow station," a senior U.S. intelligence official, requesting anonymity, replied, "Maybe it would be good for the Soviets to believe that. "Meeting reporters i the Capitol Thursday, Leahy said, "Both the CIA and the FBI realize there were problems in handling this case and steps have been taken by (CIA Director William) Casey and (FBI Director William) Webster to correct them and not sweep them under the rug. "Leahy said there was no way to halt defections, but he said they might be limited if U.S. intelligence agencies would "do a better job of on-going screening and on-going checks of people with access to classified information. "Casey conceded this summer that every U.S. intelligence agency is years behind schedule in reinvestigating its employees for security risks.

A congressional source, who spoke on condition of anonymity, said that since the spate of spy cases last year, U.S. agencies were "giving greater emphasis to re-checking the employees they've already hired. "This source declined to describe other changes, "because you don't want to broadcast to the other side what you've done." But Leahy said there have been changes in internal procedures at the CIA and FBI and improved liaison between the two agencies.

The government has acknowledged that a year after he was fired by the CIA in June 1983, Howard, still smarting over his dismissal, had told former agency co-workers that he had contemplated entering the Soviet Embassy in Washington and telling what he knew. This information was not given to the FBI for more

Leahy said he expects the Soviets "will do a great deal to show him living well and to trumpet him. I expect to see him brought out a lot to make all kinds of statements. I caution you to take them with a grain of salt. They will try to make it a very big event to try to get others to defect. "He said the timing of the Soviet announcement about Howard in the Soviet newspaper Izvestia may have been designed to deflect attention from the defection to the United States on Monday of two tightrope walkers with the Moscow Circus.

Howard had been trained to become a clandestine CIA agent in Moscow posing as a U.S. Embassy budget officer. He was fired before beginning that job because a polygraph test suggested he had used illegal drugs and engaged in petty theft.

The FBI was put on Howard's trail last fall by Soviet KGB defector Vitaly Yurchenko, who himself returned to the Soviet Union last year.

Last September, Howard, then a budget analyst for the New Mexico legislature, eluded FBI agents watching his house, days before he was charged with selling secrets to the Soviets in Austria in 1984 for \$6,000.

STAT

2

Last October, U.S. sources said he had been spotted in Finland and was presumed to have gone to the Soviet Union. Sources close to the Howard family have since said his credit cards were being used in Costa Rica, but one federal official said he might have given them to someone else to confuse his pursuers.

U.S. Intelligence officials were quick to point out that as one put it, Howard "was the first ex- CIA official that's ever wound up in Moscow. Scores have come the other way. "Leahy said, "Whenever the (Soviet) KGB (spy agency) has had someone defect to the United States, it has caused damage to the Soviet Union, so it's only logical to assume that when we have a defector it damages the United States.

"You just have to assume it's serious damage, but I don't think the extent of the damage will ever be made public. Nor should it be." Leahy said.

Noting that Howard's defection has been reported by Izvestia, assistant FBI director William Baker said, "We certainly give a lot of credence to the Soviets' public remarks. We have no reason to believe they are untrue. "He would not discuss the damage Howard had done.

STAT

IA spokeswoman Kathy Pherson would not comment on the Moscow report.

Last year, U.S. sources said the CIA had lost contact with a Soviet citizen in Moscow who had long provided valuable information about high-technology electronics and aviation research.

Other published reports suggested that Howard had known the method by which the CIA contacted this spy and others working for the United States inside the Soviet Union.

One published report said that since Howard's work for the Soviets became public, five U.S. intelligence officers in the Soviet Union had been apprehended by Soviet authorities while on spying errands and expelled from the country. Three expulsions of U.S. diplomats have been publicly reported by the U.S. government during that period.